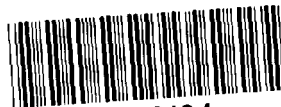


SECURITIES

ON



06008104

ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

OMB APPROVAL

OMB Number: 3235-0123
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FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 ThereunderREPORT FOR THE PERIOD BEGINNING JANUARY 1, 2005 AND ENDING DECEMBER 31, 2005
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER DEALER:

GREENWICH FINANCIAL SERVICES, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

7 Greenwich Office Park, 599 W. Putnam Avenue

(No. And Street)

GREENWICH

(City)

CT.

(State)

06830

(Zip Code)

OFFICIAL USE ONLY

FIRM ID. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

WILLIAM FREY

203-862-3602

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report *

FULVIO & ASSOCIATES, LLP

ATTN: JOHN FULVIO, CPA

(Name - if individual state last, first, middle name)

60 EAST 42ND STREET

(Address)

NEW YORK

(City)

NY 10165
PROCESSED (State) (Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in United States or any of its possessions.

JUN 20 2006

THOMSON
FINANCIAL

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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as basis for the exemption. See section 240.17a-5(e)(2).

OATH OR AFFIRMATION

I, WILLIAM FREY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GREENWICH FINANCIAL SERVICES, LLC, as of DECEMBER 31, 2005, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

Alex Pappas
Notary Public
My. 3/2011

W. Frey
Signature
Partner
Title

This report ** contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Cash Flows.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors
- ☒ (g) Computation of Net Capital
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3
- ☒ (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation or Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation
- ☒ (l) An oath or affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed sin the date of previous audit.
- ☒ (o) Supplemental independent Auditors Report on Internal Accounting Control.

***For conditions of confidential treatment of certain portions of this filing see section 240.17a-5(e)(3).*

GREENWICH FINANCIAL SERVICES, LLC
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

GREENWICH FINANCIAL SERVICES, LLC
REPORT PURSUANT TO RULE 17a-5(d)
FOR THE YEAR ENDED DECEMBER 31, 2005

GREENWICH FINANCIAL SERVICES, LLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

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INDEPENDENT AUDITORS' REPORT

To the Members of
Greenwich Financial Services, LLC

We have audited the accompanying statement of financial condition of Greenwich Financial Services, LLC as of December 31, 2005, and the related statements of income, cash flows and changes in members' equity for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greenwich Financial Services, LLC as of December 31, 2005, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on pages 11 & 12 is presented for purposes of additional analysis and is not required as part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements, and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole and in conformity with the rules of the Securities and Exchange Commission.

Fulvio & Associates LLP

New York, New York
March 7, 2006

GREENWICH FINANCIAL SERVICES, LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2005

ASSETS

Cash	\$ 130,135
Receivable from broker/dealers	173,608
Clearing deposit	251,220
Furniture, equipment and leasehold improvements (Net of accumulated depreciation and amortization of \$66,997)	704,842
Other assets	<u>3,108</u>
 TOTAL ASSETS	 <u>\$ 1,262,913</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:

Accrued expenses	\$ 8,000
Clearing charges payable	<u>141,508</u>
 Total liabilities	 <u>149,508</u>

Members' Equity:

Members' Equity	<u>1,113,405</u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 1,262,913</u>
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The accompanying notes are an integral part of these financial statements.

GREENWICH FINANCIAL SERVICES, LLC
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2005

Revenue:

Deal revenue	\$ 1,221,314
Commissions	2,313,046
Realized gain on sale of securities	2,376
Other income	<u>31,689</u>

TOTAL REVENUE	<u>3,568,425</u>
---------------	------------------

Expenses:

Salaries and related taxes	990,574
Contributions	3,250
Clearing expenses	143,415
Rent	88,924
Automobile	64,900
Quote services	37,903
Professional fees	35,834
Telephone	19,393
Regulatory fees	1,170
Travel and entertainment	173,543
Insurance	9,263
Deal related marketing and promotion	1,252,748
Office supplies and expenses	24,433
Repairs	14,371
Depreciation expense	19,781
Other expenses	<u>28,578</u>

TOTAL EXPENSES	<u>2,908,080</u>
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NET INCOME	<u>\$ 660,345</u>
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The accompanying notes are an integral part of these financial statements.

GREENWICH FINANCIAL SERVICES, LLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2005

Cash Flows from Operating Activities:

Net income	\$ 660,345
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Adjustments to Reconcile Net Income to Net Cash Provided by
Operating Activities:

Depreciation	\$	19,781
Increase in receivable from broker/dealer		(8,102)
Increase in clearing deposit		(1,220)
Decrease in other assets		54,892
Decrease in security deposit		11,435
Increase in clearing charges payable		<u>141,508</u>
 Total Adjustments to Net Income		 <u>218,294</u>
 Net Cash Provided by Operating Activities		 <u>878,639</u>

Cash Flows Used in Investing Activities:

Purchase of Fixed Assets	<u>(724,623)</u>
 Net Cash Used in Investing Activities	 <u>(724,623)</u>

Cash Flows from Financing Activities:

Members' Contributions	710,000
Members' Withdrawals	<u>(762,404)</u>
 Net cash Used in Financing Activities	 <u>(52,404)</u>

Net Increase in cash	101,612
Cash, beginning of year	<u>28,523</u>
Cash, end of year	<u>\$ 130,135</u>

The accompanying notes are an integral part of these financial statements.

GREENWICH FINANCIAL SERVICES, LLC
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2005

Balance, January 1, 2005	\$ 505,464
Withdrawals	(762,404)
Contributions	710,000
Net income	<u>660,345</u>
Balance, December 31, 2005	<u>\$ 1,113,405</u>

The accompanying notes are an integral part of these financial statements.

GREENWICH FINANCIAL SERVICES, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 1. ORGANIZATION AND NATURE OF BUSINESS

Greenwich Financial Services, L.L.C. (Company) was formed in the State of Delaware on August 9, 1995, and is registered as a broker-dealer in securities transactions under the Securities Exchange Act of 1934. The Company is registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers, Inc. (NASD).

The Company is engaged in a single line of business as a securities broker-dealer, which comprises several classes of services, including principal transactions, agency transactions and investment banking. The Company clears all of its transactions through a clearing broker. The Company introduces all of its transactions to the clearing broker, Merrill Lynch, on a fully disclosed basis.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company's financial statements are prepared using the accrual method of accounting.

Securities Transactions

Proprietary securities transactions are recorded on a trade date basis.

Investments are valued at cost.

Revenues

Profits and losses from trading activities and commissions realized on agency transactions are recorded on a trade basis.

Income Taxes

The Company is a limited liability company taxed as a partnership, and therefore, the accompanying financial statements do not include any provision for federal or state income taxes. Each member of the Company is individually responsible for reporting his share of the Company's income or loss.

GREENWICH FINANCIAL SERVICES, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

NOTE 3. NET CAPITAL REQUIREMENTS

The Company is a member of the NASD and subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of \$100,000 and requires that the ratio of aggregate indebtedness to net capital, as defined shall not exceed 15 to 1. At December 31, 2005, the Company had net capital of \$405,455, which exceeded its required net capital of 100,000 by \$305,455.

NOTE 4. COMMITMENTS

During the year the Company entered into a lease for new office space. The new lease commenced on May 1, 2005 and expires on July 31, 2010. Future minimum lease payments are as follows:

<u>Year ending</u> <u>December</u>	<u>Amount</u>
2006	\$ 112,463
2007	114,995
2008	117,527
2009	120,059
2010	<u>70,896</u>
	<u>\$ 535,940</u>

Rent expense incurred for the current year ended December 31, 2005 was approximately \$88,924.

GREENWICH FINANCIAL SERVICES, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005
(CONTINUED)

NOTE 5. CONTINGENCIES

In the normal course of business, the Company is engaged in various trading and brokerage activities on an agency basis through a clearing broker.

In connection with these activities, a customer's unsettled transactions may expose the Company to off-balance-sheet risk in the event the customer is unable to fulfill its contractual obligations.

Significant credit exposure may result in the event that the Company's clearing broker is unable to fulfill their contractual obligation.

SUPPLEMENTAL INFORMATION

GREENWICH FINANCIAL SERVICES, LLC
COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2005

CREDITS

Total Member's Equity	\$ 1,113,405
Deductions and/or charges:	
Non-allowable assets:	<u>707,950</u>
Total Non-allowable assets	<u>707,950</u>
Net capital before haircuts on securities positions	405,455
Haircuts on securities positions	<u>-</u>
Net Capital	405,455
Minimum net capital required	<u>100,000</u>
Excess Net Capital	<u>\$ 305,455</u>

No material differences existed between the above computation and the computation included in the Company's corresponding unaudited amended Form X-17-5 Part II Filing.

GREENWICH FINANCIAL SERVICES, LLC
COMPUTATION FOR DETERMINATION OF THE RESERVE REQUIREMENTS
AND INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS
FOR BROKERS AND DEALERS PURSUANT TO RULE 15c3-3
FOR THE YEAR ENDED DECEMBER 31, 2005

The Company does not effect transactions for anyone defined as a customer as defined under Rule 15c3-3. Accordingly, there are no items to report under the requirements of this Rule.

**SUPPLEMENTARY REPORT
OF INDEPENDENT AUDITORS**

**INDEPENDENT AUDITORS' SUPPLEMENTARY REPORT
ON INTERNAL ACCOUNTING CONTROL**

To the Members of
Greenwich Financial Services, LLC:

In planning and performing our audit of the financial statements and supplemental schedules of Greenwich Financial Services, LLC (the "Company") for the year ended December 31, 2005, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

- Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by rule 17a-13
- Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.
- Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by rule 15c3-3.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practice and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection or any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purpose in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and our study, we believe that the Company's practices and procedures were adequate at December 31, 2005, to meet the SEC's objectives.

This report recognizes that it is not practicable in an organization the size of Greenwich Financial Services, LLC to achieve all the divisions of duties and cross-checks generally included in a system of internal accounting control and that alternatively greater reliance must be placed on surveillance by management.

This report is intended solely for the information and use of management, the Securities and Exchange Commission, the National Association of Securities Dealers, Inc. and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than those specified parties.

Fulvio & Associates LLP

New York, New York
March 7, 2006